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Proposed programme budget for the biennium 2000-2001

Administrative and financial implications arising from the report of the Standing Committee of the United Nations Joint Staff Pension Board

Report of the Secretary-General

Summary

The report of the Standing Committee of the United Nations Joint Staff Pension Board to the General Assembly (A/54/206) contains a number of recommendations that have implications for the budget of the United Nations. In accordance with the purpose of rule 153 of the rules of procedure of the General Assembly, the present report identifies financial implications that would arise for the regular budget should the Assembly adopt the recommendations submitted to it in the report of the Standing Committee.

The additional requirements to the United Nations arising from the recommendations of the Standing Committee relate to staffing changes ($421,500) and computer and related costs ($146,300). Of the total additional requirements under staff costs, 39.5 per cent ($166,400) would be reimbursed by the United Nations Development Programme, the United Nations Population Fund and the United Nations Children's Fund. The additional appropriation that would be required under the regular budget is thus estimated at $401,400 after recosting.

An increase of $18,400 is also projected in the estimates of income from rental of premises.

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I. Introduction

1. In the proposed programme budget for the biennium 2000-2001,[1] provisions are made under section 1, Overall policy-making, direction and coordination, for the United Nations participation in the costs of the secretariat of the United Nations Joint Staff Pension Fund. Under income section 2, General income, the estimates of income from rental of premises include reimbursement for the total space occupied by the Investment Management Service and two thirds of the rented space in New York and Geneva occupied by the central secretariat of the United Nations Joint Staff Pension Fund.

2. In paragraph 1.37 of the proposed programme budget for the biennium 2000-2001, it was indicated that at the time of the preparation of the proposals, the 2000-2001 administrative budget of the Fund was not yet available and, when prepared, it would still be subject to review by its Standing Committee and the General Assembly; and that implications for the regular budget, if any, of action to be taken by the Standing Committee and the decision by the Assembly in connection with the 2000-2001 budget of the Fund would be the subject of a statement of programme budget implications that would be submitted to the Assembly during its consideration of the report of the Standing Committee.

3. In paragraph 1.39 of the proposed programme budget for the biennium 2000-2001, it was indicated that the estimated requirements of $5,401,600 ($5,664,100 at 2000-2001 rates) related to the share of the regular budget in the expenses of the central secretariat of the United Nations Joint Staff Pension Fund, excluding reimbursements anticipated from United Nations funds and programmes (the United Nations Development Programme (UNDP), the United Nations Population Fund (UNFPA) and the United Nations Children's Fund (UNICEF)). As regards expenditures related to staff costs for which the United Nations funds and programmes had agreed to share, those were calculated based on the approved staffing of the Fund, namely, one third of the cost of 106 established posts, 95 in New York (1 ASG, 2 D-1, 4 P-5, 10 P-4, 13 P-3, 1 P-2 and 64 General Service, 4 at the Principal level); and 11 posts in Geneva (one each at the P-5, P-4 and P-3 levels and 8 General Service). Under other staff costs, provisions were made for one third of the cost of general temporary assistance, equivalent to 24 work-months each of seven positions, two P-3 and five General Service, of which one was in Geneva. Included in the estimate under other staff costs is the share of the Organization in the cost of lump-sum provisions under general temporary assistance and overtime.

4. At the time of the preparation of the estimates for usage of the International Computing Centre and other computer costs, the secretariat of the Fund indicated that the cost of mainframe services to be provided by the Centre would amount to $3,657,000. Accordingly, a provision representing one third of that cost ($1,219,000) was requested in the Secretary-General's initial proposal. In addition, based on information provided by the secretariat of the Fund, the cost of other computer services was estimated at $1,409,000, of which one third ($469,600) was requested in the proposed programme budget for the biennium 2000-2001.

II. Implications to the United Nations of the report of the Standing Committee of the United Nations Joint Staff Pension Fund

5. Actions taken by the Standing Committee in response to the proposals by the Chief Executive Officer of the Fund/Secretary of the Board would entail additional expenditures in the United Nations contribution to the cost of the central secretariat of the Fund. These are as indicated below.

6. The additional requirements arising from staffing changes in the proposed budget of the Fund are estimated at $421,500 ($358,700 at 1998-1999 rates). Of the total share of the United Nations, 39.5 per cent, or $166,400 ($141,800 at 1998-1999 rates), would be reimbursed by UNDP, UNFPA and UNICEF. The net cost to the regular budget is thus estimated at $255,100 ($216,900 at 1998-1999 rates). Elements in staffing changes giving rise to additional requirements are indicated below:

(a) The reclassification of a General Service post in New York to the Principal level;

(b) Provisions under general temporary assistance equivalent to the cost in New York of one P-3 and one General Service position;

(c) The redeployment from New York to Geneva of two posts (one P-3 and one General Service), as well as the redeployment from New York to Geneva of resources under general temporary assistance equivalent to a position at the General Service level and its conversion to an established General Service post in Geneva;

(d) The proposed reclassification of four posts, namely, one P-5 to the D-1 level in Geneva; two P-4 to the P-5 level, one each in the Executive Office and information

management systems; and the reclassification of a General Service post to the Principal level under executive direction and management. It should be noted in this connection that the approval of the Standing Committee for the reclassification of the P-4 post in information management systems was subject to the post being classified at the proposed level by the Office of Human Resources Management. Since the post was not classified at the P-5 level, the secretariat of the United Nations Joint Staff Pension Fund subsequently withdrew the proposal. Consequently the United Nations share towards that cost has been excluded from the estimates;

(e) Provisions under general temporary assistance equivalent to four posts, two in Geneva (one P-4 and one General Service) and two General Service posts in New York, one at the Principal level, for information management systems.

7. In connection with computer services, the requirements are outlined in paragraphs 129, 130 and 132 of the report of the Standing Committee (A/54/206). The cost of mainframe services and other computer-related costs have been revised to $5,489,600. Compared with the previous estimate of $5,066,000, the current estimates reflect an increase of $423,600. Based on the one-third/two-thirds formula, the cost to the regular budget would be increased by $141,200, or $146,300 after recosting.

8. The breakdown of the above costs is contained in the annex to the present report.

9. In connection with the estimates of income from rental of premises, it was anticipated that the Fund would occupy 344.5 square metres of space in Geneva. As indicated in the report of the Standing Committee, however, the total space to be occupied in Geneva during the biennium 2000-2001 would be 382.3 sq m, or an increase of 37.8 sq m. Accordingly, the cost of space occupied in Geneva would amount to $27,594, of which two thirds, or $18,400, would be reimbursed by the Fund to the United Nations, resulting in a corresponding increase in the estimates of income from rental of premises.

III. Action required from the General Assembly

10. Should the General Assembly approve the recommendations of the Standing Committee of the United Nations Joint Staff Pension Board, the additional requirements that would arise for the United Nations are estimated at $567,800 ($518,300 at 1998-1999 rates). Of the total additional requirements, UNDP, UNFPA and UNICEF would reimburse the regular budget $166,400 ($141,800 at 1998-1999 rates), reflecting increases arising from staff changes. The cost to the regular budget would thus amount to $401,400 for 2000-2001.

11. Accordingly, should the General Assembly endorse the recommendations of the Standing Committee of the United Nations Joint Staff Pension Board, an additional appropriation of $401,400 would be required under section 1, Overall policy-making, executive direction and coordination, of the proposed programme budget for the biennium 2000-2001. Those additional requirements would be offset in part by an increase of $18,400 in the estimates of income from rental of premises under income section 2, General income, related to the increase in space required by the secretariat of the Fund in Geneva.

Notes

[1] *Official Records of the General Assembly, Fifty-fourth Session, Supplement No. 6* (A/54/6/Rev.1).

Annex

Implications of the report of the Standing Committee

Paragraph reference (A/54/206)		*Total cost*	*UNJSPF*	*United Nations*	*Regular budget*	*UNDP UNFPA UNICEF*
		(Thousands of United States dollars)				
92	Reclassification of a General Service post to the Principal level	36.7	24.4	12.3	7.4	4.9
94	Provisions under general temporary assistance equivalent to the cost of one P-3 and one General Service post in New York	270.0	180.0	90.0	54.4	35.6
105	Redeployment from New York to Geneva (1 P-3, 1 GS)	(307.5)	(204.9)	(102.6)	(62.1)	(40.5)
115 and 116	Reclassification of a P-5 post in Geneva to the D-1 level	20.8	13.9	6.9	4.2	2.7
115, 117 and 118	Redeployment to Geneva of two posts (1 P-3, 1 GS)	363.5	242.3	121.2	73.3	47.9
	Redeployment from New York to Geneva of general temporary assistance equivalent to the cost of one post at the General Service level and its conversion to an established post					
	Cost of the post in New York	(110.9)	(73.9)	(37.0)	(22.4)	(14.6)
	Cost of the post in Geneva	157.3	104.9	52.4	31.7	20.7
119	Provision of two positions under general temporary assistance equivalent to one P-4 and one General Service post in Geneva	342.9	228.6	114.3	69.2	45.1
127	Provision of two positions under general temporary assistance equivalent to two General Service posts in New York, one at the Principal level	268.5	178.9	89.6	54.2	35.4
134 and 135	Reclassification of a P-4 post in the Executive Office in New York to the P-5 level	34.5	22.9	11.6	7.0	4.6
	Total staff costs at 1998-1999 rates	**1 075.8**	**717.1**	**358.7**	**216.9**	**141.8**
129, 130 and 132	Mainframe services and other computer costs	423.6	282.4	141.2	141.2	
	Grand total: expenditures at 1998-1999 rates	**1 499.47**	**999.5**	**499.9**	**358.1**	**141.8**
46 and 97	Income section 2, General income	(27.6)		(18.4)	(18.4)	
	Net requirements	1 527.3	999.5	518.3	376.5	141.85
	Total staff costs at 2000-2001 rates	**1 264.4**	**842.9**	**421.5**	**255.1**	**166.4**
	Total computer costs at 2000-2001 rates	**438.9**	**292.6**	**146.3**	**146.3**	**0.0**
	Total expenditures at 2000-2001 rates	**1 703.3**	**1 135.5**	**567.8**	**401.4**	**166.4**
	Income from rental of premises	(27.6)		(18.4)	(18.4)	0.0